



Michigan Department of Environmental Quality

BROWNFIELD REDEVELOPMENT GRANTS AND LOANS

The Michigan Department of Environmental Quality (MDEQ) offers grants and loans for environmental assessments and cleanups at properties with known or suspected contamination. Funds are targeted to projects that promote economic development and the reuse of brownfield properties. The MDEQ can assist you with your efforts to:

- Revitalize abandoned industrial properties.
- Attract developers to brownfields.
- Leverage capital for Brownfield Redevelopment Authority (BRA) projects with loans.
- Avoid urban sprawl by reusing properties with existing infrastructure.

WHO CAN APPLY? Applicants may be Michigan local units of government, BRAs, or other public bodies created pursuant to state law, including state-funded schools and universities.

TYPES OF PROPERTIES: Eligible properties are sites or facilities with known contamination or properties with redevelopment potential and suspected contamination.

ELIGIBLE ACTIVITIES IN PROJECT PROPOSALS

- Environmental evaluations/assessments.
- Interim response activities.
- Baseline Environmental Assessment (BEA) preparation.
- Due care plan preparation.
- Due care response activities.
- Due care disclosure requirements.
- Remedial actions necessary under Part 201, Environmental Remediation, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA) and for redevelopment.
- Demolition.

PRIMARY ELIGIBILITY CRITERIA

- Funding is generally limited to available funding up to \$1 million per applicant per year for each grant or loan.
- All proposed response activities must be pursuant to Part 201 of the NREPA.
- Property owners must provide access to the MDEQ and contractors.
- Cleanup grants may be used at properties with known contamination and specific redevelopment proposals, where measurable economic benefits will exceed the grant amount.
- Cleanup loans may be provided at properties with suspected contamination where there is economic development potential based on a planned reuse.
- Grants may not relieve a liable party from environmental responsibility.

LOAN TERMS

- Interest rate is currently 1.5 percent.
- 15-year payback period, beginning with a 5-year grace period with no interest accrued or payments.
- Loans may be repaid using Tax Increment Financing (TIF) through a BRA.